**(DECISION POINT 7:)** Add 2 Cal. Code Regs. section 18640 as follows:

[§18640. Activity Expenses.

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3	(a) Except as provided in subdivision (b) herein, when reporting activity expenses as
4	required under Government Code section 86112.5 for events described under regulation
5	18946.2(a) and (b), the value of the expense reported by any person required to file a periodic
6	report under Article 1 of Chapter 6 of this title for each official attending the event shall be
7	calculated on a pro rata share of the cost of the event as defined in regulation 18946.2(c).
8	(b) When the filer reports a gift made to any person as the result of the notification
9	requirements of Government Code section 86112.5 for attending events described under
10	regulation 18946.2(a) and (b), the value of the gift is as provided in subdivision (a) above unless
11	the official notifies the filer, in writing, that the official and guests accompanying the official
12	attended the event {OPTION 1: alternative 1}[for a brief period of time] {alternative
13	2}[30/45/60 minutes or less] and did not stay for the entertainment and received only {OPTION
14	2: alternative 1}[minimal appetizers and drinks] {alternative 2}[refreshments and non-cash
15	nominal benefits]. Upon receiving the above notification from the official, the value of the
16	expense reported by the filer may be reported to reflect the value of the {OPTION 2:
17	alternative 1}[food or beverage] {alternative 2}[refreshments and non-cash nominal benefits]
18	received by the official and guests accompanying the official, plus the value of any specific item
19	that is presented to the official at the event. For purposes of this subdivision, "entertainment"
20	means a primary show or performance intended for an audience, including a dance, and does not
21	include music provided for background ambiance.
22 23	NOTE: Authority cited: Section 83112, Government Code. Reference: Sections 86112 and 86112.5 Government Code; regulation 19846.2(e).  10/20/04 1 18640 add (October 2004)

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